



Report to the Auburn City Council

Action Item

Agenda Item No. **9**City Manager Approval

To: Mayor and City Council Members
From: Bernie Schroeder, Director of Public Works
Megan Siren, Administrative Analyst
Date: August 13, 2012
Subject: Capital Improvement Program 2012/13 – 2015/16

The Issue

Shall the City Council review the draft Capital Improvement Program for Fiscal Years 2012/13 through 2015/16 with final approval anticipated on August 27, 2012?

Conclusion and Recommendation

Staff recommends that the Council review the draft Capital Improvement Program 2012/13 – 2015/16 and provide staff comments.

Background

In 2003, the City Council adopted a six year Capital Improvement Program. City staff has been utilizing the Capital Improvement Plan annually to update Council on the capital projects occurring each fiscal year. The Capital Improvement Program is a guide for the efficient and effective financial planning of resources for improving and maintaining public infrastructure and facilities. This year, staff presents a five year Capital Improvement Program that provides more information regarding each project, including timelines and cost estimates.

The CIP covers the upcoming five-year period and identifies each capital project to be undertaken and the possible source(s) of funds that will be used to fund the project. A capital improvement is generally considered to be a significant project involving construction or improvement of land, building and public facilities and equipment purchases. In addition, major repair and maintenance of public facilities are considered capital improvement. The CIP includes all projects that are valued over \$5,000.

The CIP groups projects in the following programs:

- Airport
- Sewer
- Transportation
- Transit
- Equipment
- Facilities
- General Community

Alternatives Available to Council; Implications of Alternatives

1. Proceed with Staff Recommendation
2. Do not proceed with staff recommendation

Fiscal Impact

Fiscal impacts are generally related to the fund from which the project will be budgeted. Because this is primarily a planning document, it is difficult to analyze the overall fiscal impacts. Each project listed in the 2012/13 Program Summary column is also reflected in the recently adopted 2012-13 Operating Budget with the exception of those adjustments staff is suggesting in the Program Narratives. If approved, these adjustments will be reflected at Mid Year. At the time of budget preparations for each future fiscal year, a more detailed fiscal impact will be provided by the sponsoring department.

The Draft 2012/13 – 2015/16 Capital Improvement Program is available for review in the City Clerk's Office and Public Works Department.